

Voluntary Report - public distribution

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## Caribbean Basin

### Market Development Reports

### January Food Price Survey in Cuba 2003

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**Report Highlights:**

Prices in a variety of food markets are compared between January 2002 and January 2003 and show that prices for rationed food products remain unchanged and many prices in the various open-air markets increased. Several new products were introduced into food chain. U.S. poultry and wheat were available.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Miami [C11]  
[C1]

# TABLE OF CONTENTS

**I. How Cubans Survive: January 2003 Survey of Havana Markets**

A. Summary.....	2
B. Items Surveyed .....	2
C. Food availability and prices in January 2003 in comparison to January 2002 .....	2-5

## I. How Cubans Survive: January 2003 Survey of Havana Markets

### A. Summary

In January 2003, the U.S. Interest Section in Havana (USINT) conducted a survey in the bodegas where Cubans purchase from their ration card, and free market agromercados, State Markets in the Vedado and Marianao neighborhoods, Capped markets or Topados; where prices are published by the GOC press. The ration card, or libreta, experienced minor product availability changes, but prices remained the same and prices have changed little over the past 40 years. A comparison shows that prices for basic foods were generally higher in the other three markets during January 2003 than in January 2002. Continuing GOC attempts to lower prices in the agromercados markets by creating parallel and usually co-located State Markets have failed. On the contrary, prices of basic items in both private and state markets showed a trend towards convergence at higher prices. In addition the GOC stabilized the bread supply during the one-year period and offered more products at alternative, and more expensive, markets. The approximate exchange rate is US \$1.00=26CP.

### B. Items Surveyed

This survey covers essential, special occasion, and second-tier food products. Essential food products are rice, beans, lard, small cooking plantains, squash or sweet potatoes, onions, garlic and tomato sauce. Most essential foods are listed on the ration card, although the monthly allowance is far less than what is needed. Items purchased for special occasions only are pork, lamb & ham. Second tier items for families with an above average salary or with access to dollars are: pineapples, papayas, oranges, limes, yucca, malanga (a tuber), cabbage, carrots, beets, eggplant, tomatoes, lettuce and cucumbers.

### C. Food availability and prices in January 2003 in comparison to January 2002

#### 1. Rationed food

Prices for the products on the ration card have varied little over the past 40 years. However, the types of products offered have varied and four products were changed from 2002 to 2003.

In 2002, the GOC replaced one pound of brown sugar with a half pound of vegetable oil on the ration card libreta. In addition to stabilizing the supply of oil this move was welcomed by the Cuban population as one pound of sugar sells in the informal market for three CP, while a half-pound of vegetable oil costs 20 CP at the GOC Imagenes chain stores.

"Cerelac," a Cuban-produced mixture of cereal, soy and milk provided to the 65-and-above population was replaced by "Lactosoy", another Cuban creation with a higher proportion of milk and a different combination of cereals and soy. According to the GOC, the nutritive value of the Lactosoy is higher than that of "Cerelac". These products are intended to mitigate the GOC's inability to provide milk regularly to elderly people -- as it used to in the 1980s. Regular distribution of soy yogurt for 7 to 13 year olds every other day was finally achieved at the end of 2002.

Imports of U.S. products starting in December 2002 made only a minor impression on the ration card. Notably, the distribution of chicken leg quarters became fairly regular (replacing meat and soy mixtures) at the price of 0.70 CP a pound.

## 2. Agromercados - Free Farmers' Markets

The January 2003 survey shows that in comparison with January 2002, some prices increased and some decreased. All prices are in CP.

Table 1. Price Changes for Products in the Agromercados

Products	Price, Jan 02	Price, Jan, 2003	Change
Black Beans	9-10 /oz	10-12/oz	+
Red Beans	8-10 /oz	10-12/oz	+
White Beans	15 /oz	12 /oz	-
Red Onion	8-12/ bunch	12/ bunch	+
White Onion	8-12/ bunch	12/ bunch	+
Yucca	1.50/ lb	2.50/ lb	+
Rice	5/6 lb	4-5 /lb	-
Garlic	3-5 /head	2-4 head	-
Carrots	8 / bunch	7 / bunch	-
Beets	8-10 /bunch	7/ bunch	-
Tomatoes	5-10 /lb	3-10 / lb	-
Limes	1 /each	0.50/ each	-
Oranges	1-2 /each	0.50 / each	-
Pork Ribs	23 / lb	20 /lb	-
Pork Loin	no change		
Ham	no change		

## 3. State Markets

Prices in State Markets increased for almost all products, in spite of the intended goal of the newly formed State Markets to drive down prices in all markets. In general, prices increased by 10 to 30 percent. All prices are in CP.

Table 2. Price Changes for products in State Markets

Product	Price, Jan 02	Price, Jan 03	Change
Black Beans	8.50-9 /oz	9.50-11 /oz	+
Red Beans	8 /oz	10 /oz	+
White Beans	13 /oz	9 /oz	-
Rice	3.50 /lb	4 / lb	+
Malanga	3 / lb	3.30 / lb	+
Yucca	1.20 /lb	2 / lb	+
Carrots	5 / bunch	7 / bunch	+

Tomatoes	2 /lb	2.80 /lb	+
Cabbage	4.50 / head	5 / head	+
Sweet Potato	1.25	1.50	+
Squash	1.30	1.50	+
Oranges	.60 /each	0.33 /each	-
Lamb Leg and Loin	20-22 /lb	23 /lb	+
Lamb Ribs	14 /lb	15 /lb	+
Pork Ribs	18 /lb	20 /lb	+

#### 4. Capped Markets - Topados

The comparison of prices for capped markets shows price increases for most food products between January 2002 and January 2003. Prices for products in these markets are published monthly in the GOC "Tribuna de La Havana" a newspaper for the city of Havana.

Table 4. Price changes for Products in Capped Markets

Product	Price, Jan 02	Price, Jan 03	Change
Black Beans	6.50 /oz	7 /oz	+
Red Beans	7 /oz	8 /oz	+
Rice	no change		
Onions	8 / bunch	7 / bunch	-
Green Peppers	no change		
Yucca	0.90 /lb	1 /lb	+
Big Cooking Plantain	2.40 /bunch	2.50 /bunch	+
Small Cooking Plantain	1 / bunch	0.80 /bunch	-
Carrots	no change		
Beets	no change		
Tomatoes	4 /lb	3 /lb	-
Cabbage	no change		
Sweet Potato	0.60 /lb	0.80 /lb	+
Squash	0.70 /lb	1 /lb	+
Cucumbers	no change		
Oranges	1 /each	.80 /each	-
Pork leg and Loin	20 /lb	22 /lb	+
Pork Shoulder Blade	20 /lb	21 /lb	+
Pork Ribs	17 /lb	18 /lb	+
Pork Land	14 /lb	15 /lb	+
Tomato Sauce, small	4 /bottle	6 /bottle	+

Tomato Sauce, large	6 /bottle	8 /bottle	+
Lettuce	2 /head	1.50 /head	-
Green Beans	2.50 /lb	2 /lb	-
Okra	2.50 / lb	2 /lb	-
Watercress	1.50 /lb	1.20 /lb	-
Bananas	no change		

## 5. Price Changes in other Markets

Not surveyed were Ejercito Juvenil Trabajadores markets, urban gardens and organic farms, Imagenes grocery chain stores, fish shops and the Dollar Stores. We heard that U.S. eggs for 2 CP each and U.S. rice for 4 CP/lb were made available occasionally at the Imagenes chain stores during the past year. U.S. chicken was also found from time to time in these stores for 25.00 CP per pound, although most of the U.S. chicken was distributed through the ration card.

The rationed bread supply was stabilized during the period. New non-rationed bread shops called "Cadenas de Pan" or Bread Chains were opened and offered one-pound loaves for 10 CP. It is unknown whether the stabilization of the bread supply is due to the arrival of U.S. wheat.

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For further information on the opportunities for exporters of U.S. food products click on Cuba from our website: [www.cbato.fas.usda.gov](http://www.cbato.fas.usda.gov)